

[7 May, 2007]

RAJYA SABHA

Bids for mega power projects

†3435. SHRI RAJ MOHINDER SINGH MAJITHA:
SHRI RAM JETHMALANI:

Will the Minister of POWER be pleased to state:

(a) whether it is a fact that bids from private and public sector were invited last year by the Government for setting up mega power projects in the country;

(b) if so, the names of projects to be set up along with the names of institutions-which offered lowest production cost; and

(c) the reasons for difference in the lowest bid for different projects?

THE MINISTER OF POWER (SHRI SUSHIL KUMAR SHINDE): (a) and (b) Recognizing the fact that economies of scale leading to cheaper power can be secured through development of large size power projects, the Government has taken an initiative for facilitating the development of a few Ultra Mega Power Projects (UMPPs) of about 4000 MW capacity each under tariff based competitive bidding route using supercritical technology. Power Finance Corporation has been identified as nodal agency and has set up Special Purpose Vehicles (SPVs) to initiate the bidding process.

Coastal Gujarat Power Limited and Sasan Power Limited SPVs set up for Mundra UMPP and Sasan UMPP respectively invited tariff bids in year 2006 for development of UMPPs through tariff based competitive bidding route. Tariff bids for UMPPs to be located at Sasan (pithead) in Madhya Pradesh and Mundra (coastal) in Gujarat were received in December, 2006. Consortium of Globlec-Singapore and Lanco Infratech quoted the lowest evaluated levelised tariff for Sasan project (Rs. 1.196 per unit) and M/s. Tata Power Company Limited quoted the lowest evaluated levelised tariff for Mundra project (Rs. 2.26 per unit).

(c) The tariff differential in respect of the two projects is due to the different mode of fuel linkage. The Mundra UMPP is to use imported coal whereas Sasan UMPP is a pithead site with provision of integrated coal blocks.

†Original notice of the question was received in Hindi.